

Chrysler, Ford, Honda show gains

Early-March sales decline 8 pct.

By Jenny L. King
Detroit Reporter

Early-March domestic new-car sales continued to dog their 1984 counterparts with the daily-rate keeping slightly ahead of 1984 and actual numbers for the period down. The year-to-date total was up just over one percent.

Buoyed by strong totals from Chrysler Corp., Ford Motor Co. and American Honda, sales numbered 193,625 for the March 1-10 period, down 8.34 percent from

211,240 a year earlier.

Sales were up 3.12 percent on a daily-rate basis, to 24,203 figured on eight days this year compared with 23,471 based on nine days in 1984.

Chrysler reported sales of 28,483 passenger cars, up 14.52 percent from 24,872 last year (up 28.80 percent daily rate). Ford was up 4.76 percent, to 53,435 from 51,006 (up 17.86 percent daily rate). Honda was up 72.67 percent, to 4,524 from 2,620, an

increase of plus 94.50 percent daily rate.

General Motors sales were down more than 20,000 units, to 103,604 from 126,808, a decline of 18.30 percent (down 8.08 percent daily rate). American Motors was down 43.92 percent, to 2,650 from 4,725 (down 36.95 percent daily rate), and Volkswagen reported sales of 929 Golfs, down 23.16 percent from 1,209 (down 13.68 percent daily rate).

Chrysler and Ford made sizeable advances in market share over a year's time. Chrysler was up to 14.71 percent from 11.77 percent, and Ford climbed more than three percentage points, to 27.60 percent from 24.15 percent. Honda was up to 2.33 percent from 1.24 percent.

• GM plunged to 53.51 percent from 60.03 percent. AMC was down to 1.37 percent from 2.24 percent, and VW held just 0.48 percent, down from 0.57 percent.

Sales of individual make sales were mixed, with all GM makes down, all Chrysler makes up and good and bad news at Ford. Plymouth was up 17.17 percent, Chrysler was up 10.36 percent and Dodge was up 15.47 percent.

Ford was up 6.22 percent, Mercury was up 3.51 percent and Lincoln dropped 3.60 percent.

Buick was down 17.62 percent, Cadillac was down 24.43 percent, Chevrolet was down 20.44 percent, Oldsmobile was down 17.62 percent and Pontiac was down 13.31 percent. AMC was down an estimated 44.83 percent, Renault was down an estimated 43.75 percent, VW was down 23.16 percent and Honda was up 72.67 percent.

DOMESTIC SALES

	Mar. 1 10, 1985	Mar. 1 10, 1984
Renault	2,250†	4,000†
Alliance-Encore	400†	725†
AMC	2,650†	4,725†
Chrysler	8,050	7,294
Plymouth	9,399	8,022
Dodge	11,034	9,556
CHRYSLER CORP.	28,483	24,872
Ford	36,103	33,989
Mercury	13,506	13,048
Lincoln	3,826	3,969
FORD MOTOR CO.	53,435	51,006
Buick	18,792	22,811
Cadillac	5,918	7,831
Chevrolet	35,728	44,905
Oldsmobile	24,337	29,541
Pontiac	18,829	21,720
GENERAL MOTORS	103,604	126,808
VOLKSWAGEN	929	1,209
HONDA	4,524	2,620
U.S. INDUSTRY		
TOTAL	193,625	211,240
† Estimate		

'86 Dodge Dakota pickup aims at new market niche

By Edward Lapham
Marketing Editor

Dodge plans to use its new 1986 N-body Dakota truck to create its own niche between imported pickups, current compact trucks and the full-sized models.

Marketing plans for the new compact Dakota, due to be built at Dodge City in Warren, Mich., include a comprehensive list of standard items to beat the imported makes at their own game and an optional eight-foot load bed to better Ford Ranger and Chevrolet S-10 optional long beds by six inches, Automotive News has learned. The extra half-foot is important to tradesmen who haul four-by-eight-foot sheets of material.

Just as the Chrysler T-vans created a niche in the market, Dakota could change the pickup market by offering a conventional bed on a smaller, fuel-efficient truck. One drawback to the plan could be the buying habits of tradesmen who often opt for the

less-expensive, base models.

The list of Dakota standard equipment is lengthy, according to one source familiar with the program. Standard powertrain will be the 2.2-liter L-4 engine with 5-speed manual transmission. Optional engine will be the 3.9-liter V-6. Optional transmission will be a 3-speed automatic.

Dakota will have a standard 15-gallon fuel tank or optional 25-gallon tank. Standard rubber will be blackwall P 195/75 R14 steel-belted radial tires.

Also standard will be aluminum wheels, halogen headlamps, vinyl interior trim, vented windows, dual exterior mirrors, tinted glass, three-person bench seat and rack and pinion steering.

Ford intends to alter its compact truck marketing plans for 1986, too, in order to compete more directly with Chevrolet. Ford will offer a two-wheel-drive version of the Bronco II and an extended-cab version of the Ranger pickup.

Ranger also is slated to get its own version of automatic locking four-wheel drive. The Ranger system, like the Chevrolet S-10 system, will use locking axle half shafts rather than locking wheel hubs. The Ranger control panel will be mounted in an overhead console, according to one well-placed source.

The Chevrolet Insta-Trac automatic locking half shaft system has worked well, although the automatic locking hub system on C/K 4WD models reportedly will be dropped in favor of old-style, lockup hubs which must be engaged outside the vehicle.

More Saturn data requested by GM

DETROIT.—General Motors has asked several states to furnish additional information on their facilities for the Saturn plant.

GM has asked for additional data on utility rates, rail lines and coal and water resources.

Missouri is among the states asked to provide more data. The state recently became the fifth state to enact a mandatory seat-belt-use law.

breaking news

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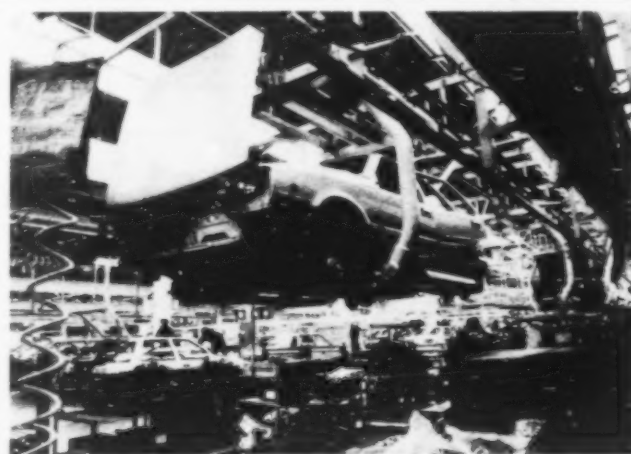
as the U.S. is not asking us to do. Each car maker should make its exports in an orderly manner, leaving the matter to its judgment." Analysts expect Japanese exports to the U.S. to increase by 300,000 to 750,000 units in the next year.

Ad blitz to launch Laser XT

DETROIT.—Chrysler-Plymouth will use 30-second television spots, radio spots, print ads and billboards to launch its spring special Chrysler Laser XT sports package beginning April 1. The theme line is "Gotta be hotter." Four-color gatefolds will run in top enthusiast publications and high-demo newsweeklies. Radio spots and billboards will be used in 17 markets. The XT package, available on high-line Laser XE models, features special paint, handling items and a turbo-charged engine and is available with optional new T-bar roof.

Million a year in Mexico?

MEXICO CITY.—Mexican auto producers should be assembling more than a million cars a year by 1989, according to Oscar B. Marx, president of Ford of Mexico. Marx said he expects a 17-percent growth rate for Ford in Mexico this year, thanks in part to its expansion of its plant in Hermosillo.



The mating process

As Excel body moves by cradle down the assembly line at Hyundai, hydraulic jacks are used to lift engine and transaxle for mating to the body overhead.

Hyundai's goal for 1990s: One of world auto leaders

EDITOR'S NOTE: This is the last of a series of articles on the Korean auto industry.

By John Hartley
Staff Correspondent

ULSAN, Korea.—"We aim to be one of the world's leading auto manufacturers in the 1990s," is the boast Hyundai, Korea's largest auto manufacturer, is now making.

With a new, front-wheel-drive subcompact and a new factory which together are claimed to have cost well over \$400 million, it is all set to go.

Designed to supersede the Pony, the new subcompact is based on Mitsubishi's 1.3/1.5-liter single-overhead-cam engine, transaxle and suspension, decked out with a five-door hatchback body. Clearly an up-to-date design, it is code-named X-car but called the Excel in Korea.

This is the car with which Hyundai plans to invade the U.S. market this fall.

The auto appears to be a competent design, with reasonable interior space and a six-window construction with very slim rear pillars formed by the deep rear door. There are exceptionally deep side windows, a sloping hood and a typically bland frontal appearance.

Still, what really sets the "new Hyundai" apart from the old is the new factory. Not only does it drag the Koreans into the modern world, it gives them so much extra capacity that the company will be anxious to push exports up in a dramatic manner.

Hyundai's plant was initially set up under the management of

George Turnbull, the British auto leader who had left BL in the mid-1970s.

Capacity until the recent changes was around 150,000 units a year, according to statistics released by the Korea Auto Industries Cooperative Assn. Passenger cars accounted for some 121,000 units—91,000 Ponys and 30,000 Stellers.

Now, Hyundai has a new welding shop with 11 robots and an additional final assembly line. To keep costs down, Hyundai has extended the main shops to accommodate the new lines. Now there are two welding and two final assembly lines.

One high-speed line, which has a capacity of 200,000 units per year, is used to build the Pony and the Pony Excel. The slower line, on which there are a couple of welding robots supplied by Fanuc, is used to build the larger Stellar sedan. It has a capacity of 100,000 units per year.

It is well known that the new plant and car were designed with the technical assistance of Mitsubishi Motors of Japan which, with Mitsubishi Corp., holds a 10-percent stake in Hyundai.

How far did this help go?

Hwang Ho Park, Hyundai manager of production engineering, said, "The engine came from Mitsubishi and so did some of the ideas on welding. But the layout, process planning and design of the welding equipment are our own."

The welding layout does not just ape practice elsewhere, although, of course, the basic prin-

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Korean autos head to Australia for first time

SEOUL, Korea.—It appears that Korean-made automobiles will be exported to Australia this year for the first time.

The Australian Government recently set a quota for 1985 imports of Korean cars that will allow Bond Co., of Australia, to import Korean-made vehicles.

Bond, which recently signed a contract with Korea's Hyundai Motor Co., is expected to import Hyundai's compact passenger cars, the Pony and the Stellar.

Australia has imported 200,000 automobiles annually. Korea previously could not export automobiles to Australia because that nation had no quota for Korean cars.



Ready for the world

This five-door hatchback Hyundai Pony Excel has reached the end of the assembly line and is heading for the export market.



Van-Truk III introduced

Van-Truk, Inc., Fort Myers, Fla., has introduced Van-Truk III, a multiple-passenger van conversion with a full-length pickup-truck bed to haul a fifth-wheel travel trailer, a gooseneck horse trailer and other types of recreational equipment.

Compact-truck sales soar for February, 2 months

By Arthur Flax
Assistant Truck Editor

Compact truck sales, spurred by factory incentive programs, scored tremendous sales increases during February and led to new records among Big Three dealers.

Ford and Chrysler reported record sales for the first two months of any year and GMC set a record for February. Chevrolet was close to a record pace.

February sales of all trucks sold in the U.S. peaked at an estimated 372,174 units, up 17.2 percent from the record of 317,438 February sales set a year ago, according to import manufacturer's reports and preliminary MVMA figures for U.S.-based manufacturers.

The two-month total was an estimated 734,537, also a record, up 25.4 percent from the year-ago 585,572 sales. The previous record of 600,953 sales through the first two months of a year was set in 1979.

Light-truck sales in February totaled (estimated) 352,867, up 18 percent from 298,919 (exact sales) a year-ago; medium-duty truck sales totaled 3,866 units, down 9.9 percent from 4,293, and heavy-truck sales totaled 15,441, up 8.5 percent from 14,226.

In the first two months of 1985,

(estimated) light truck sales totaled 692,483 units, up 25.6 percent from 551,218 (exact sales) a year ago; medium-duty truck sales totaled 8,604 units, up 7.3 percent from 8,022 and heavy-truck sales totaled 33,449, up 27 percent from 26,332.

Big Three truck dealers retailed

Continued on Page 24, Col. 1

Ford and Iveco offer incentives to boost sales

Ford Truck Operations is offering special discounts on its 9000-Series models, while IVECO Trucks of North America is using cash rebates to promote sales of its medium-duty diesels.

Ford is running a major marketing program from Feb. 11 to May 10 to promote the sale or lease of Ford CLT-9000 Series trucks.

The program offers potential customers special discounts averaging about \$5,000 on CLT-9000 models. They are roughly similar to what fleet customers would receive, except that they are available to all customers.

Ford also offers "red carpet"

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Big Three February, year-to-date sales

	1985	February	1984	Year to Date	1984
Ford					
Vans	14,843	14,867	29,490	26,039	
Club Wagon	2,572	3,000	5,846	5,474	
Ranger	31,129	15,493	49,708	28,577	
Bronco	3,844	3,652	7,933	7,025	
Bronco II	7,573	6,823	16,396	13,152	
Pickups	42,381	41,909	85,011	80,811	
Mediums	3,310	3,161	6,846	5,139	
Heavies	1,088	860	2,397	1,425	
Chevrolet					
Vans	11,686	13,505	24,379	25,695	
Sportsvan	1,847	1,754	3,771	3,494	
Astro	3,459		6,159		
S-10	25,157	13,907	42,502	27,322	
S-10 Blazer	12,222	9,841	26,185	19,545	
El Camino	1,463	1,898	3,167	3,721	
Blazer	3,712	4,419	7,445	8,318	
Suburban	4,138	4,002	8,635	7,149	
Pickups	34,763	34,951	73,995	68,660	
Mediums	1,419	1,101	2,917	2,157	
Chrysler					
Vans	5,243	5,780	10,052	11,206	
Ram Wagon	3,014	3,601	5,890	6,469	
Voyager	8,134	6,745	15,667	10,863	
Caravan	8,565	7,071	16,504	11,143	
Mini Ram Van	2,017	160	4,142	172	
Ram 50	6,906	3,539	13,038	6,642	
Other Plymouth Trucks				378	
Ramcharger	3,514	2,316	6,685	4,333	
Rampage		804		1,448	
Pickups	14,509	11,556	27,037	20,806	
GMC					
Vans	3,133	4,198	6,057	8,742	
Safari	659		1,243		
S-15	5,428	3,247	8,817	6,567	
S-15 Jimmy	2,791	2,371	5,836	5,140	
Jimmy	606	721	1,386	1,626	
Caballero	164	209	367	403	
Suburbans	1,432	1,200	2,734	2,458	
Pickups	9,546	9,404	18,903	19,916	
P Models	349	378	2,096	899	
Mediums	2,111	1,948	3,995	3,543	
Heavies	538	1,078	1,371	2,026	

truck industry news

Meanwhile, they're converting Astro-Safari cargo units

GM dealers want passenger vans

By Joseph Babin
Truck Editor

General Motors' M-vans, often predicted to have their greatest appeal with commercial buyers, are really turning out to be most popular as people carriers and conversion units, according to Chevrolet and GMC dealers.

Faced with a temporary lack of passenger models, Chevrolet and GMC dealers have been successfully satisfying some of the demand by converting their Astro and Safari cargo units into passenger models on their own.

GM, as part of its quality-control effort, elected to build and ship the easier-to-produce cargo versions first.

The tight quality-control program has resulted in a number of constraints during the early launch months.

For example, passenger models aren't available in the base 2.5-liter engine or manual transmission configuration, a Chevrolet spokesman confirmed. For at least the next several months, passenger Astros will be available only with V-6 engines and 4-speed automatics. Both are options, and together they add \$995 to the retail price of the vehicles.

But Chevrolet has solved all of its early supply problems and now is ready to roll full-tilt. Michael Erdman, Chevrolet marketing

manager—trucks, said the division is now beginning to really crank out the passenger versions and expects to have 8,000 to 10,000 in the field by early to mid-April.

A full-scale promotional campaign will follow. Erdman said he didn't feel comfortable doing a full-court promotional press until there were at least 12,000 to 14,000 passenger-type Astros in dealers' hands.

Chevrolet still isn't sure what the mix of commercial to passenger model sales will be and is staying flexible for the time being. But Erdman said it has the capability to build 65-70 percent of its Astros as people-carriers, if that's how demand shapes up.

Chevrolet has begun promoting Astro on a limited basis and plans to hammer home the "one van that stands alone against competitors" theme, Erdman said. That is predicated on a number of features like its eight-passenger carrying capacity, 4.3-liter V-6 engine and 5,000-pound towing capacity which competitive Chrysler and Toyota vans don't have.

Chevrolet will also use families and garageability settings, Erdman said, to drum home the fact that its van is a very viable choice for station-wagon and passenger-car owners who make up the strongest segment of the compact van market.

Competitors, he noted, "would love" to have people regard the Astro as basically a commercial vehicle, but Chevrolet isn't going to let that happen.

Meanwhile, dealers affirmed the strong interest in the passenger version.

Mark Eddins, of Friendly Chevrolet, Dallas, one of the largest Chevrolet stores in the country, said initial Astro sales were "relatively small because of the non-existence of the passenger van. However, we increased our sales by going to an outside vendor and installing the passenger package. That has really helped, and now we're selling them fairly consistently."

By early March, he had sold 10 Astros out of 40-50 received, after deciding to go the conversion route. Initially, as cargo models, they had just sat on his

lot without much action.

His RV business with conversion companies is also picking up, he added, as "people see more and more of these vans."

But, surprisingly, Eddins doesn't feel the Astro will be a big commercial market seller, simply because the conventional Chevy van has too many advantages and is too well established among commercial buyers.

"The commercial market is non-existent for this size van," Eddins said. "If you just take the basics (dimensions), you're not looking at that much difference between the Astro and the regular van. And you're looking at more carrying capacity in the G-van."

"For the utility market, it's a duplicate entry, and there aren't enough significant differences to make someone buy it over a G-van which has a proven track record in that market," Eddins concluded.

His dealership retails 2,000 to 2,400 vans a year in all the different van sales segments.

Dick Gillilan, truck sales manager for Jack Wall Chevrolet, Pasadena, Calif., said

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Cummins cuts production of NT heavy-duty diesel

COLUMBUS, Ind.—Cummins Engine Co. cut production of its NT heavy-duty diesel engine by about 15 percent at the end of February.

The cutback, Cummins said, was caused by an anticipated leveling of demand in the North American heavy-truck market and lower engine production required for some of the company's defense projects.

Total Cummins sales will not be significantly affected because of higher sales of L10 heavy-duty and B series medium-duty engines, the company said.

Truck buyers, a spokesperson noted, are beginning to shift their purchases from the 14-liter NT engine to the more fuel-efficient 10-liter L10, which overlaps some of the NT range in power output.

Some employees will be laid off because of the NT cutback, but the company said it had not made a final decision on the number.



He still has the touch

Ken Self, right, former head of Freightliner Corp., spent three years building a two-thirds scale replica of a 1958 Freightliner full-tilt cab-over-engine truck. The 1979 retiree spent nearly 40 years in the business, and "had to have something to do," he said. He proudly displays his model to Gordon Clark, Freightliner senior vice president of sales and marketing, as they compare it with the latest Freightliner COE.

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Spoilers and skirts for Mercedes 190

Kamei USA, North Haven, Conn., has introduced the X1 Mercedes-Benz 190 system which consists of a front spoiler, side skirts, a rear skirt and rear spoiler.

Ford and Iveco offering incentives to boost sales

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36-month lease terms through Ford Motor Credit on "work-ready" trucks, with monthly lease payments of \$1,663.36.

Kenneth F. Smith, Ford heavy-truck general sales and marketing manager, said the program is aimed at the premium diesel truck market, with particular emphasis on high-tilt CL and CLT-9000 models.

Ford is running salesmen and sales manager spiffs as part of the program. Salesmen can win merchandise, and sales managers get

a shopping spree at Neiman-Marcus.

IVECO is offering \$2,000 cash rebates to buyers of its diesel trucks sold by participating IVECO dealers. The rebate applies on new and unused 1984-85 models bought from March 1 to April 30.

James R. Bostic, IVECO president, said the program is called "Share IVECO's Success" because the company has over 12,000 of its Z-Range trucks on American roads.

Meanwhile, they're converting Astro-Safari cargo units

GM dealers want passenger vans

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adena, Calif., said the Astro was still moving slowly in early March, but "it'll be just a matter of time before it takes off."

Like Friendly Chevrolet, his dealership is doing conversions on the Astro, and "you'll find an awful lot of those will be people movers," Gillilan predicted.

"We originally thought it would have a lot of appeal to the commercial market, but it's not enough van for the electrician, carpenter or plumber who are the people that have been buying our cargo vans," Gillilan said.

By contrast, there are a great many rental companies in his area which run shuttle services for out-of-towners and, for them, the economy, easy of driving and roominess of the Astro is very appealing, Gillilan added.

He, too, pointed out the popularity of the G-van with conversion companies which have been installing TV sets, consoles, hide-a-beds and the like to make them into popular RV units.

The dealership, which sells 70 to 110 trucks a month, is one of the largest Chevrolet outlets in Southern California.

Capitol Mack-GMC, Baton Rouge, also found a lot of excitement in the new vans but not in the cargo version.

"People are waiting for the pas-

senger model. I've taken the cargo version and had it customized and put in nice trim and captain's chairs and a sofa or couch. The reaction from people is they like what they see," said Santo Bentivegna, light-duty sales manager for Capitol Mack-GMC.

Bentivegna said he sold a couple of cargo units to commercial users, but is mainly concentrating on passenger conversions to fill the gap until factory versions arrive.

"I could get a lot of orders for passenger Astros. We're taking orders and submitting them, but we can't promise delivery" and that has turned some buyers off, he added.

He put in 20 passenger-model orders, two of which have deposits from customers who are willing to wait. He figures there were at least 10 other people who would have placed firm orders, if he had been able to give them a delivery or production date.

He said that, even without heavy national ad support, the vans are drawing a lot of interest,

judging by the number of brochures which dealership visitors have taken off his racks. He's had to replenish his supply of Astro informational literature twice.

Elsewhere, dealerships like Arrowway Chevrolet, Katonah, N.Y., and Town Chevrolet, Middletown, N.J., also reported that customers are essentially waiting for the passenger versions.

"The cargo model has limited appeal," said Larry Tynan Jr., general manager, Town Chevrolet. "If we had more of these passenger vans and better variety, we'd be able to sell a lot more of them."

Added Armand Bassi, owner of Arrowway Chevrolet, "People are waiting for the passenger versions. I think you'll see a fair number of Astros sold as cargo vans, but their real success will be as people movers."

New Chevy dealer

BLACKFOOT, Id.—Darrell Nichols has signed a Chevrolet sales and service agreement for Riverside Sales.

Parts group to explore changes in aftermarket

Continued from Page 20

Synnott, chairman, Worldparts Corp., will explain how a company can get into the import business. Experienced importers also will tell why it became a necessity and how they got involved.

At another session on importing, John Dyer, University of Miami Marketing Department, and a panel of aftermarket exporters will demonstrate how a company can profit through exports.

Arnold Slight, Fram Division technical sales manager, and William Wade Jr., corporate development vice president, CR Industries, will be leaders of a workshop on "Catalogs, the Nec-

essary Evil."

At the opening seminar May 17, Heartsill Wilson, management consultant, will discuss theories prescribed to by successful American companies and how a firm can put them into practice.

There will be five concurrent workshops after the seminar. Speakers and their topics will be:

S. E. Sanderson, president, Geneva Corp. mergers and acquisitions; Richard Teasel, consultant, Champion Spark Plug Co.; Stan Stephenson, Motor Age editor, and C. Dick Perkins, staff administrator, General Motors Service Research, technical revolution; Jane Symons, general manager, Wetacorn, and Richard D. Kudner, advertising/merchandising vice president, Champion Spark Plug, teleconferencing.

Also, Robert Williams, Arthur Young & Co., office automation; Ollie Furnish, senior vice president, Guarantee Auto Stores, Inc.; Jim Maynard, automotive service training and technical director, Montgomery Ward & Co.; Bruce Allen, automotive service group manager, Canadian Tire Co., and David Reale, marketing vice president, FMC Corp., accelerating sales through service.

Communication in the Aftermarket will be the topic of a post-luncheon seminar, featuring Julian C. Morris, APAA president, and Lilot S. Moorman, principal, Lilot S. Moorman Associates.

Sharlene Weiss, president, Healthy People, will speak on managing stress at a session following the seminar.

Calif. seminar will focus on service systems

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winners, the money is divided and a minimum of \$100 is awarded to the high scorers.

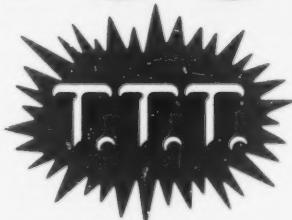
Arrow conducts the seminars twice a year, usually within a week or two of the registration deadline for the certification tests. The clinics are held in different locations around the country and, Rosenstein said, attracts mechanics of every stripe, ranging from helpers and independent shop workers to car-dealership, service-station and fleet-service personnel.

The April 3 clinic will be held at the Anaheim Marroitt beginning at 7 p.m. Rosenstein said advance registration is recommended and can be obtained from Arrow Automotive in Framingham, Mass., or through Arrow's warehouse distributors in Southern California.

They include Apollo Warehouse in Carson, Desert Automotive Warehouse in Cathedral City, Davidson Conroy in Los Angeles, or D.C. Automotive Warehouse in Highland Park. Registration forms are also available from Southern California AAA, jobbers and dealers handling the Arrow product line and the Automotive Service Council.

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Incentives spur February gains

Compacts lead sales explosion

Continued from Page 16

285,390 units in February, up 18.2 percent over the 241,469 units sold a year earlier. For the first two months of 1985, the dealers sold 554,731 units, up 21 percent from the year ago total of 458,483.

Ford's 203,627 sales through February this year were 9.3 percent ahead of the 186,284 units sold through February, 1978, the previous record, and 21.5 percent more than the 167,642 units sold through February, 1984.

Ford sold 106,740 trucks in February, 18.9 percent more than the 89,765 units sold a year earlier and just short of the February record of 106,993 sales, set in 1978.

February sales of Ranger compact pickups, for which Ford has offered 8.8 percent financing since Feb. 5, totaled 31,129 units,

67.5 percent ahead of January's 18,579 sales and double last February's count of 15,493.

Edson P. Williams, general manager, Ford Truck Operations, viewed the light-duty market as "going absolutely mad."

Total industry sales during February, he said, point to a record and match any rate seen in the 1978-1979 boom years.

Chrysler sales, apparently boosted by incentives and strong selling minivans, soared to records for the month and year.

February sales of 51,902 trucks were 14.1 percent ahead of the previous record 45,499 units set in 1977 and 24.8 percent over the year-earlier 41,572 sales.

Chrysler's 99,015 sales for the year through February were also a record, 17.6 percent ahead of the 84,172 units retailed through

February, 1977, and 34.8 percent over the year-earlier 73,460 sales.

Chrysler offered 8.8 percent financing on its Mitsubishi-built Ram 50 pickups for two months through March 10 and is offering \$300 to \$500 rebates on pickups and Ramchargers through May.

Comparing sales of those vehicles through February, 1985, with year-earlier figures showed Ram 50 sales up 96.3 percent, pickups up 29.9 percent and Ramchargers up 54.3 percent. Minivan sales were up 33.9 percent.

GMC retailed a record 26,859 units in February, 2.7 percent higher than the 26,147 sales reported in the previous record February of 1979 and 8.5 percent greater than the year-earlier 24,754 sales.

Sales for the year through February totaled 52,845 units, up 3

percent over the previous record 51,320 units retailed a year-earlier.

Sales of S-15 pickups were up 67.2 percent for the month and 34.3 percent for the year. GMC began a two-month 8.8 percent financing program on those vehicles on Feb. 1.

However, sales of heavy-trucks were off 50.1 percent in February and 47.8 percent for the year, compared with year-earlier figures.

A GMC spokesman said of the

Diesel-car sales rise 84 percent in Britain

LONDON.—Sales of diesel-engine cars in Great Britain totaled 45,386 in 1984, an increase of 84.4 percent over 24,602 in 1983, according to the Society of Motor Manufacturers and Traders.

Ford topped the diesel-car market last year with sales of 17,614 units. PSA was second with 11,357, and General Motors was third with 6,217.

heavy market. "We are optimistic for the industry and for GMC. We think 1985 will be a stronger year than 1984 . . . There is a lot of interest from the fleets, but some hesitancy to buy."

Fleets, the spokesman noted, are concerned with the government deficit and the stability of the economy.

Chevrolet retailed 99,889 units in February, 17 percent over the 85,378 units sold a year earlier. This year, Chevrolet has sold 199,244 trucks, 20 percent more than the 166,061 sold in the first two months of 1984.

In 1979, Chevrolet sold a February record of 103,014 units and a two-month record of 201,625 units.

Chevrolet is also offering 8.8 percent GMAC financing on S-10 pickups and sold an alltime monthly record 25,157 in February, surpassing the old record of 25,046 sales set in March, 1982.

February sales of Jeep four-wheel-drive vehicles were up 9.4 percent to 12,622 units, compared with 11,536 in the same month a year ago. Sales of the downsized Cherokee represented 56 percent of the total.

The two-month count of 25,804 sales was up 15.1 percent over the year-ago 22,405 units retailed.

Japanese manufacturers retailed 70,232 units, including the 6,906 Chrysler Ram 50s, during February, compared with 57,534 a year earlier.

Toyota sold 24,432 units, up 36.7 percent from the year-ago 17,870 sales; Nissan sold 21,932, down 5.5 percent from 23,313; Mazda sold 8,726, down 11.8 percent from 9,890; Isuzu sold 6,755, up 262.6 percent from 1,863, and Mitsubishi sold 1,481 under its own nameplate, up 27.8 percent from 1,159.

Of Nissan's February, 1985, sales, 10,942 were U.S.-built, down 3.2 percent from 11,303 a year earlier.

For the first two months of this year, Japanese makers sold 142,759 units, including the 13,038 Ram 50s, compared with 101,391 a year-earlier.

Nissan sold 52,531 units, up 45.1 percent from the year-ago 36,202 sales; Toyota sold 48,341 units, up 41.7 percent from 34,105; Mazda sold 15,850, down 14 percent from 18,439; Isuzu sold 9,787, up 175.4 percent from 3,554, and Mitsubishi sold 3,212 units under its own nameplate, up 31.2 percent from 2,449.

Downey Toyota grants volunteer \$500 scholarship

DOWNEY, Calif.—Candida Gallegos received a \$500 scholarship from Downey Toyota here for her more than 340 hours of voluntary service to Downey Community Hospital.

Gallegos, a member of the Candy Strippers Board for two years, plans to study nursing and pediatrics in college.

She also received a 14-karat gold necklace and a commemorative plaque.

Participating in the ceremony were Greg Burke, business manager of Downey Toyota, and Bill Hunter, marketing director of G. Terzis Candy Co., which helped organize the event.

B-W names Gardner

TROY, Mich.—Lee M. Gardner has been appointed operations vice president for the Borg & Beck unit of Borg-Warner Automotive, Sterling Heights, Mich. He formerly was business development director for Borg-Warner Industrial Products, Los Angeles.

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factories list auction dates

American Motors

March 19—High Point Auto Auction, High Point, N.C.; D-A Auto Auction, New Stanton, Pa.; Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia., and Metro Milwaukee Auto Auction, Caledonia, Wis.

March 21—Todd Auto Auction, Telford, Pa.; Evansville Auto Auction, Evansville, Ind., and Northstar Auto Auction, Shakopee, Minn.

Model Breakdown Auction Averages

	MAR. 1985	FEB. 1985	JAN. 1985
1985	\$12,817	\$14,691	\$11,375
1984	\$8,724	\$8,850	\$8,726
1983	\$5,591	\$6,171	\$5,978
1982	\$5,097	\$5,185	\$5,343
1981	\$4,153	\$4,049	\$4,350
1980	\$3,416	\$3,301	\$3,600
1979	\$2,629	\$2,742	\$2,771
1978	\$1,913	\$1,907	\$2,117
Overall Average	\$4,778	\$4,782	\$4,992

March 26—Aptco Auto Auction, Taylor, Mich.

March 27—Kansas City Auto Auction, Kansas City, and Southern Auto Auction, Warehouse Point, Conn.

March 28—Corry Auto Auction, Corry, Pa.; Northway Exchange, Clifton Park, N.Y.; Evansville Auto Auction, Evansville, Ind., and Northstar Auto Auction, Shakopee, Minn.

Ford Motor Co.

March 20—Lakeland Auto Auction, Lakeland, Fla., and Brasher's Southern California Auto Auction, Fontana, Calif.

March 21—Aptco Auto Auction, Taylor, Mich.; 166 Auto Auction, Springfield, Mo., and Skyline Auto Exchange, Fairfield, N.J.

March 22—Big H Auto Auction, Houston.

March 27—Northway Exchange, Clifton Park, N.Y., and Clanton's Auto Auction, Darlington, S.C.

March 28—St. Louis Auto Auction, Bridgeton, Mo.

General Motors

March 19—Southern Auto Auction, E. Windsor, Conn., and South Seattle Auto Auction, Kent, Wash.

March 20—Metro Auto Auction, Kansas City, Mo., and Clanton's Auto Auction, Darlington, S.C.

March 21—Indianapolis Auto Auction, Indianapolis, and Southwest Auto Auction, Phoenix.

March 27—Brasher's Salt Lake Auto Auction, Salt Lake City.

March 28—Butler Auto Auction, Gibsonia, Pa., and Arena Auto Auction, Chicago.

Used Car Sales Auction Averages

March to date	\$4,778
Month ago	\$4,699
Year ago	\$4,877

Will also study diesel venture

DDA and Deere sign marketing agreement

By Joseph Bohn
Truck Editor

Detroit Diesel Allison Division of General Motors and Deere & Co. have signed a letter of intent under which they will study the feasibility of forming a joint venture in the diesel engine business.

The two companies also are striking a marketing/distribution agreement which, more immediately, will allow each to distribute and sell selected diesel engine products made by the other.

Deere is particularly interested in a new, high-tech Series 60 engine line which DDA is developing.

The new engine line will be "larger than their average engine," a Deere spokesman added and "larger than the average engine we make. Of course, we'll be looking at a lot more than that."

The engine products they select will augment product lines of both companies.

"We have a mutual marketing agreement so they have an opportunity to look at ours (engines) and we have an opportunity to look at theirs. It should be synergistic to both organizations," a DDA spokesman said.

DDA builds a 6.2-liter diesel in Moraine, O., for Chevrolet and GMC pickup trucks, Suburbans and four-wheel-drive vehicles. It builds an 8.2-liter diesel for medium-duty trucks in Romulus, Mich., and heavy-duty engines in Redford, Mich., in the 53, 71, 92 and 149 series. The latter are large, heavy-duty two-cycle engines for a variety of industrial, off-highway/on-highway, marine and other markets.

A spokesman said the new arrangement would be geared more toward allowing DDA to better serve existing markets than pursuing new ones.

DDA sells directly to large OE customers, like International Harvester, Ford and PACCAR, and indirectly to smaller-volume customers through 46 North American and 125 overseas distributors. Its distributor organization, a spokesman added, is primarily geared toward providing parts and service on its products.

A Deere spokesman said that, although it builds a full range of engines from 50 HP up to 400 HP, most of its volume is in the smaller, heavy-duty 240-HP and under range.

"Their average engine is larger than the average engine we produce," he said.

Most of Deere's engines go into its own products. Only a small percentage is sold to OEM customers.

Deere has only about 50 dealers in North America.

"If we use their (DDA's) distribution system, we automatically have more dealer outlets," the Deere spokesman concluded.

Belt-use programs win DOT awards for four cities

WASHINGTON.—Secretary of Transportation Elizabeth H. Dole honored the mayors of four winning cities that participated in a contest designed to increase the use of safety belts in communities across the country.

Dole presented trophies to Mayors John Mercer, of Sunnyvale, Calif., and Dale Danks Jr., of Jackson, Miss., and to New York City Commissioner of Transportation Anthony Ameruso, representing Mayor Edward I. Koch, and Gail Beagle, administrative assistant to Rep. Henry B. Gonzalez, representing Mayor Henry Cisneros, of San Antonio.

The contest was initiated last spring by Mayor Louis Montano, of Santa Fe, and became known as the Santa Fe Challenge. Cities with populations exceeding 15,000 that were conducting safety-belt-use programs were invited to enter the competition in an effort to increase belt use.

Dole also honored Mayor Montano and Mayor Ernest Morial, of New Orleans, president of the U.S. Conference of Mayors, which endorsed the competition and promoted participation through its membership.

In all, 25 cities registered to participate in the safety-belt contest and 13 submitted results.

used-car auction directory

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	Mar. 1, 1985	Feb. 1, 1985	Mar. 1, 1984
Alliance	109	127	68
Encore	127	164	68
Eagle	120	115	90
AMERICAN MOTORS	116	136	70
Caravelle	74	77	50
Horizon	28	80	50
Reliant	71	66	68
Turismo/TC-3	29	91	67
Plymouth	69	101	30
Plymouth Total	47	76	61
LeBaron	87	90	59
LeBaron GTS	71	64	59
Laser	75	141	72
Fifth Avenue	87	89	57
N. Yorker E/Class	93	97	60
Chrysler Total	84	95	62
Omni	31	77	53
Daytona	69	122	90
Charger/024	34	88	77
Aries	70	70	69
400/600	85	93	78
Lancer	71	80	71
Diplomat	86	93	64
Dodge Total	57	84	71
CHRYSLER CORP.	60	85	65
EXP	106	122	64
Escort	70	74	56
Tempo	57	81	61
Mustang	43	44	49
Thunderbird	93	76	71
LTD	87	88	58
Crown Victoria	114	136	54
Ford Division	74	82	58
Lynx	84	92	77
Topaz	54	73	70
XR7/Cougar	74	80	56
Marquis	74	93	41
Grand Marquis	108	138	48
Capri	96	102	73
Total Mercury	82	99	56
Continental	45	56	55
Lincoln	50	62	25
Mark VII	47	81	76
Lincoln Total	48	63	44
FORD MOTOR	74	85	57
Skyhawk	56	58	90
Skyhawk	43	60	87
Century	33	41	54
Regal	51	62	54
Somerset Regal	63	53	54
LeSabre	53	67	22
Electra	48	45	46
Riviera	47	52	60
Buick Division	47	55	61
Cimarron	76	77	94
Eldorado	78	71	36
Cadillac	61	57	44
Seville	40	71	36
Cadillac Division	68	63	45
Chevette	55	42	70
Cavalier	53	44	62
Citation	79	86	116
Camaro	44	70	67
Celebrity	36	36	60
Monte Carlo	53	47	99
Chevrolet	79	74	67
Corvette	69	54	44
Chevrolet Division	55	53	69
Firenza	82	56	84
Cutlass Ciera	30	27	36
Cutlass Supreme	37	31	44
Calais	70	58	58
Olds 88	58	54	40
Olds 98	54	46	33
Toronado	89	60	56
Oldsmobile Division	48	41	44
Fiero	78	89	14
1000	56	57	91
2000 Sunbird	64	67	88
Firebird	69	73	62
6000	38	40	45
Bonneville	60	72	71
Grand Am	24	26	88
Grand Prix	68	82	88
Pontiac	100	96	83
Pontiac Division	59	62	62
GENERAL MOTORS	53	52	58
VOLKSWAGEN	51	55	88
HONDA	1	0	13
Total Cars U.S.	59	65	59
SUBCOMPACT	55	73	53
COMPACT	59	64	66
INTERMEDIATE	54	54	60
STANDARD	81	86	53
LUXURY	62	61	44

At April 25 meeting

CARB to debate plan for warning device

By Matt DeLorenzo
Los Angeles Reporter

LOS ANGELES.— A proposal requiring a diagnostic and malfunction warning system on vehicles equipped with three-way catalysts will be considered by the California Air Resources Board (CARB) when it meets here April 25.

If passed, the rule would require that all 1988 and subsequent vehicles be equipped with a means of informing vehicle owners of malfunctions that would increase emissions to a specified degree and an on-board system that would identify the likely area responsible for the malfunction.

As part of the measure, CARB will also consider increasing the service maintenance requirements of oxygen sensors from 30,000 to 50,000 miles because of the the diagnostic and warning rule.

Currently, vehicles are equipped with an oxygen sensor light that automatically trips at 30,000 miles to remind the owner to have that part of the emission control system serviced.

According to the proposal, "manufacturers unable to equip their vehicles with 50,000-mile

oxygen sensors would be required to provide free replacement of the sensor at the first maintenance interval, thereby extending their responsibility to 50,000 miles."

Other matters that will be taken up at the April 25 meeting include a proposal to reduce warranty requirements on fuel-injection pumps for diesel engines from 100,000 to 50,000 miles and a hearing on lowering sulphur content of gasoline and diesel fuel.

The petition to lower the warranty requirements on diesel fuel-injection pumps has been submitted by International Harvester. According to the board, IH has testified that it may have to replace a large number of pumps due to vehicle modifications resulting in excessive engine loadings.

The board's proposal would re-define the useful life of the pump as 5 years/50,000 miles or 3,000 hours of operation. This amendment would apply only to the 1985 and 1986 model years.

FTC has opening as Douglas quits

WASHINGTON.—Federal Trade Commissioner George W. Douglas has resigned, effective mid-September. This will leave a vacancy for a seven-year term for a Democrat or Independent.

Douglas, a Democrat, has consistently voted with FTC Chairman James C. Miller III in the Reagan philosophy of getting FTC rules off the backs of companies and having FTC make economic input to other government agency decisions.

Meanwhile, FTC Commissioner-designate Mary Ascuenaga, an Independent, has made her first appearance before the Senate Commerce Committee but she has not yet been confirmed. And rumors persist that Chairman Miller may be leaving for some as yet undefined greener pastures.

Only Quebec gets Suzuki's Forsa

MONTREAL.—Suzuki Canada, Inc., has introduced the Forsa, a front-wheel-drive, 5-speed, two-door auto, which is available only in Quebec and priced at \$6,195 (Canadian) for the base model and \$6,695 for the deluxe.

Similar models, made by Suzuki and distributed by General Motors, are sold on the U.S. West Coast as the Sprint and in British Columbia as the Firefly.

Gran Fury, 69; Chevrolet, 79; Diplomat, 86½; Parisienne, 100; Grand Marquis, 108, and Crown Victoria, 114.

Luxury models: Continental, 45; Mark VII, 47½; Riviera, 47½; Electra, 48; Lincoln, 50½; Oldsmobile Ninety-Eight, 54; Cadillac, 61½; Corvette, 69; Eldorado, 78; Fifth Avenue, 87½; Toronado, 89, and Seville, 90.

Supply of domestic cars drops back to 59½ days

Continued from Page 1

Regal, 51; Monte Carlo, 53; Bonneville, 60½; Somerset Regal, 63½; Grand Prix, 68½; Calais, 70; LeBaron GTS, 71; Lancer, 71½; Caravelle, 74; Cougar, 74½; Marquis, 74½; Citation, 79½; Dodge 600, 85; LTD, 87; New Yorker E/E Class, 93, and Thunderbird, 93.

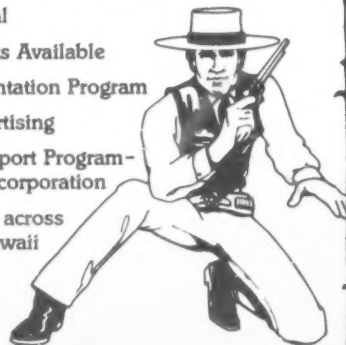
Standard-size cars: LeSabre, 53; Oldsmobile Eighty-eight, 58;

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Factory, dealers, suppliers

Computers link Chrysler operations

Continued from Page 6

the computer.

"As a result, we are launching 100 dealers a week," Quint said. "There is no way we could do that if we had to go out and physically train everyone in the dealership to use that system."

Zone offices will be hooked into the system.

District managers will also be part of the integration and will have the same inquiry and communication capacity as the dealers plus a little more. They will be able to check the dealers' status and financial condition. Those managers may even be carrying a portable computer.

The Chrysler plants will also be linked to the main systems as each is modernized, probably within two years, Quint said.

The Sterling Heights and Windsor assembly plants already are run on a state-of-the-art central computer in the plant which is linked to the corporate network and the suppliers. Other plants are linked in a less-sophisticated manner.

The interiors of those two plants were designed by computer simulation.

Chrysler's computer-aided design and computer-aided manufacturing systems are also integrated on three systems—a Control Data Cyber system at Highland Park Design, a General Electric Calma at Outer Drive (Detroit) Tool and Die and an IBM system at Highland Park. The IBM is used for management information, plant scheduling, dealer communications and the like.

The Control Data CAD system at Highland Park Design and the GE Calma CAM system at Outer Drive Tool and Die already talk to one another, according to Jack E. Thompson, manager, technical system development.

Chrysler is linking the IBM sys-

tem to the other two, he said.

The Outer Drive operation is a small plant laboratory for new ideas with conveyors and robots where new products can be tested under assembly conditions.

About 25 percent of the new model can be created at Outer Drive, Thompson said. The rest is done outside because it is more cost-effective.

"Our robot lab is really a pilot assembly line which simulated production conditions," Thompson said. "Go to Ford or GM and ask them to show you their robot lab. You'll see a room full of robots. It is not a product environment like we have."

Since the CAD/CAM systems are linked between Outer Drive and corporate design many things are possible.

The tools and dies for the 1986 P-car were made directly from computer data with no wood masters. Two-thirds of the LeBaron GTS was designed by CAD/CAM, Robert Sinclair, vice president engineering, told the analysts meeting.

All electronic systems for new Chrysler vehicles are done on the computer, he said.

Sinclair also told the analysts that Chrysler spends only eight-tenths of one percent of its sales dollar for CAD/CAM and information services while GM spends twice that much or about 1½ percent of its sales dollar.

Before Chrysler expands the CAD/CAM systems to do something new, it looks for a productivity gain of at least four to one, but it has been experiencing gains of as much as 40 and 50 to one, Sinclair said.

The current systems in design have already shown a 30 to one productivity increase when compared with those used in 1969 and 1970, Brauburger said.

Chrysler soon will be using 3-D holographs to replace clay models. It takes two man-months to produce each clay model and using the 3-D holographs can save two man-months per clay model, Sinclair told the analysts.

Chrysler is also using a Predic-

Dealer total—U.S. and import—steady for year

The number of new-car dealerships in the U.S.—domestic and import combined—held steady in 1984.

The Automotive News census found 24,724 outlets in operation on Jan. 1 of this year, three more than the 24,721 counted at the beginning of 1984.

The 1985 total consists of 20,902 establishments handling domestic cars and 3,822 handling only imported cars.

The overall import dealership total is 12,427, but 8,605 of them are domestic-import duals, so they are included in the domestic count.

On Jan. 1, 1984, the 24,721 dealerships consisted of 20,841 that handled domestic cars and 3,880 that handled only imports.

The overall import figure at that time was 10,096, including 6,216 that carried both domestic and imported cars.

Thus, the domestic total rose 61 for the year and the import-only number was down 58, resulting in a net gain of three outlets for the industry.

tive Design process which provides crash-testing data without actually crashing the cars, he said.

Chrysler is showing a 15 percent productivity increase in design, according to Thompson.

That will increase as more of the CAD systems are linked. Powertrains are still not part of the circle but will be as new engines are introduced.

The corporate CAD systems are also linked directly to the plants in some areas. A transmission case was designed on a computer and then machined without ever leaving the computer system, Brauburger said.

While Chrysler makes strides in its manufacturing capabilities through computerization, so does its financial arm.

Chrysler Financial Corp. plans to diversify just as General Motors Acceptance Corp. plans to diversify.

Chrysler Financial has upgrading its in-house data processing so more functions are computerized. Productivity at Chrysler Financial improved 16 percent: at GMAC, it has improved at a 3-percent annual rate.

Chrysler Financial is looking at diversification into other financial services which can be offered through its existing organization. It reportedly has considered the credit card business.

"Each company is at a different phase of its maturity," said E.O. Grote, president of Chrysler Financial. "And so what is right for one company may not be right for another company at a given point in time."

"But I think you will see the captive companies broaden the scope of services they offer to the consumer, without being specific at this time what that might be."

Chrysler is moving ahead on its own to integrate its systems and feels it has a jump on the rest of the industry without spending megabucks. It has taken a "rifle shot instead of a shotgun approach" to the linkup, Thompson said.

"Throwing megabucks at something may or may not solve all the problems," Quint said. "It certainly may not do it the most efficient way. I think our approach is to direct our efforts where we think the payoff is the biggest."

NEW-CAR OUTLETS
U.S. AND IMPORT

	No. of Retail Outlets	Pct. Gain or Loss from Previous Year
Jan. 1, 1957	39,138	n/a
Jan. 1, 1958	39,108	-0.1%
Jan. 1, 1959	37,558	-4.0%
Jan. 1, 1960	36,336	-3.3%
Jan. 1, 1961	34,803	-4.2%
Jan. 1, 1962	33,461	-3.9%
Jan. 1, 1963	33,308	-0.4%
Jan. 1, 1964	33,291	-0.1%
Jan. 1, 1965	33,360	+0.2%
Jan. 1, 1966	33,114	-0.7%
Jan. 1, 1967	31,584	-4.6%
Jan. 1, 1968	31,101	-1.5%
Jan. 1, 1969	31,076	-0.1%
Jan. 1, 1970	30,842	-0.8%
Jan. 1, 1971	30,314	-1.8%
Jan. 1, 1972	30,150	-0.5%
Jan. 1, 1973	30,094	-0.2%
Jan. 1, 1974	29,998	-0.3%
Jan. 1, 1975	29,701	-1.0%
Jan. 1, 1976	29,309	-1.3%
Jan. 1, 1977	27,744	-1.9%
Jan. 1, 1978	28,656	-0.3%
Jan. 1, 1979	28,512	-0.5%
Jan. 1, 1980	27,891	-2.2%
Jan. 1, 1981	26,333	-5.6%
Jan. 1, 1982	25,703	-2.4%
Jan. 1, 1983	24,729	-3.8%
Jan. 1, 1984	24,721	-0.0%
Jan. 1, 1985	24,724	+0.0%

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IMPORTED-CAR RETAIL OUTLETS

	Jan. 1, 1985	Jan. 1, 1984
Imported-cars only:		
Exclusives	2,833	2,750
Duals	989	1,130
	3,822	3,880
Import-domestic duals:		
Domestics with captive imports	6,065	3,864
Domestics with other imports	2,540	2,352
	8,605	6,216
Total imported-car dealers	12,427	10,096

Notes: Renault and Volkswagen are counted as domestics. Captive imports are Chevrolet Sprint and Spectrum; Dodge Colt, Conquest and Vista; Plymouth Colt, Conquest and Vista.

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Import outlets total 12,427; Chevy captives boost count

Continued from Page 1

Import exclusives rose last year. There were 2,833 of them on Jan. 1, 1985, up from 2,750 at the beginning of 1984. Honda set the pace with an increase of 88 solo spots. Nissan, down 36, showed the biggest decline.

As might be expected, the Japanese account for the bulk of the exclusives—2,309 of the 2,833. The leaders are Toyota, 661; Nissan, 605; Honda, 532; Subaru, 302, and Mazda, 106. The only other makes with more than 100 one-liners are Volvo, 122; BMW, 116, and Mercedes-Benz, 106.

While the number of exclusives rose, the number of import-only duals dipped last year. There were 989 as 1985 began, down from 1,130 a year earlier. So the number of outlets handling only imported cars slipped to 3,822 from 3,880.

The other main class of import outlets is the import-domestic duals. Again, there are two subgroups—domestic duals with captive imports and domestic duals with other (independent) imports.

The increase in captive duals was noted earlier. Domestic duals with independent imports also went up in 1984, rising to 2,540 from 2,352. The number of domestic-car dealerships handling an import was 8,605 on Jan. 1, up from 6,216 as 1984 began.

The import franchise total showed a substantial gain last year, rising to 16,191 from 13,707 at the beginning of 1984. It was an increase of 2,484 selling agreements, or 18 percent.

The franchise total is always higher than the dealership figure: Because of dualing, every franchise does not constitute a separate dealership.

Fifteen makes were up for the year, and eight were down. Two were unchanged, and there are three newcomers—Chevrolet Sprint and Spectrum joined the fold in 1984, and Lamborghini appears in the annual census for the first time.

The biggest franchise gains were by the Dodge and Plymouth captives, up 149 each. This was higher than the dealership upturn of 124 for the Chrysler Corp. imports because of dualing between Dodge and Plymouth.

Also adding franchises for the year were Honda, 28; Maserati, 20; TVR, 18; Lotus, 15; Alfa Romeo, 15; Subaru, 12; Toyota, 10; Saab, 9; BMW, 5; Nissan, 5; Mazda, 3; Ferrari, 2, and Mercedes-Benz, 1.

Reporting fewer dealers this year than last were Jaguar, down 17; Peugeot, 14; Audi, 5; Mitsubishi, 2; Isuzu, 2; Porsche, 2; Rolls-Royce, 2, and Volvo, 1. Aston Martin was unchanged, as was the estimate for Bertone/Pininfarina.

Franchise totals were a record high for 11 makes.

The record setters were Dodge, Plymouth, Honda, Subaru, Mercedes-Benz, BMW, Ferrari, Ma-

serati, TVR, Sprint and Lamborghini. Sprint and Lamborghini appeared in the census for the first time last July. Their totals have risen since then.

The Top Ten in import franchise totals on Jan. 1 were: Plymouth, 2,980; Dodge, 2,893; Spectrum, 1,561; Nissan, 1,106; Toyota, 1,091; Honda, 850; Subaru, 810; Mazda, 760; Sprint, 516, and BMW, 419.

IMPORT FRANCHISES

	Jan. 1, 1985	Jan. 1, 1984
JAPAN	12,863	10,434
Plymouth	2,980	2,831
Dodge	2,893	2,744
Chevrolet Spectrum	1,561	—
Nissan	1,106	1,101
Toyota	1,091	1,081
Honda	850	822
Subaru	810	798
Mazda	760	757
Chevrolet Sprint	516	—
Isuzu	215	217
Mitsubishi	81	83
WEST GERMANY	1,572	1,573
BMW	419	414
Mercedes-Benz	417	416
Audi	408	413
Porsche	328	330
SWEDEN	738	730
Volvo	404	405
Saab	334	325
ITALY	382	334
Bertone/Pininfarina	141	141
Alfa Romeo	121	106
Maserati	61	41
Ferrari	48	46
Lamborghini	11	—
UNITED KINGDOM	319	305
Jaguar	172	189
Rolls-Royce	63	65
Lotus	40	25
TVR	30	12
Aston Martin	14	14
FRANCE	302	316
Peugeot	302	316
MISCELLANEOUS	15	15
TOTAL	16,191	13,707

IMPORT OUTLETS

Number of dealerships in U.S. handling imported cars, 1957 to 1984

Jan. 1, 1957	2,930
Jan. 1, 1958	11,409
Jan. 1, 1959	14,031
Jan. 1, 1960	14,674
Jan. 1, 1961	13,135
Jan. 1, 1962	11,894
Jan. 1, 1963	7,138
Jan. 1, 1964	5,249
Jan. 1, 1965	5,856
Jan. 1, 1966	6,013
Jan. 1, 1967	6,588
Jan. 1, 1968	7,156
Jan. 1, 1969	7,869
Jan. 1, 1970	8,311
Jan. 1, 1971	9,860
Jan. 1, 1972	12,375
Jan. 1, 1973	13,332
Jan. 1, 1974	11,246
Jan. 1, 1975	11,489
Jan. 1, 1976	10,414
Jan. 1, 1977	11,387
Jan. 1, 1978	17,374
Jan. 1, 1979	17,700*
Jan. 1, 1980	17,114
Jan. 1, 1981	16,919
Jan. 1, 1982	16,681
Jan. 1, 1983	11,270**
Jan. 1, 1984	10,011***
Jan. 1, 1985	10,096
Jan. 1, 1985	12,427

*Automotive

**VW counted as domestic in 1982 and subsequent years.

***Renault counted as domestic in 1983 and subsequent years.

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Year's total is 1,829,584

Car production rises to 177,239

By Louise Kertesz
Detroit Reporter

Domestic auto makers slated production of 177,239 units last week, 2.50 percent more than the previous week's 172,911 but 2.21 percent less than the year-ago week's 181,252.

So far this year, 1,829,584 cars have been assembled, about the same (up 0.75 percent) as the 1,816,008 completed last year at this time.

Last week's scheduled output was shared as follows: General

Motors, 61.10 percent; Ford Motor Co. 17.83 percent; Chrysler Corp., 17.78 percent; American Honda, 2.13 percent; Volkswagen of America, 1.13 percent, and New United Motor Mfg., Inc., 0.03 percent.

Honda's Marysville (O.) facility lost five hours of production during the week ended March 9 because of equipment malfunction. Output for the week fell some 250 units short of the targeted 3,800.

Ford's Wayne (Mich.) plant was down last week for one week for

conversion to 1985½-model Escort and Lynx production.

Ford's Atlanta plant will be down this week (March 18) for one week to move production of the Ford Thunderbird and Mercury Cougar to Lorain, O.

The Atlanta facility will concentrate on production of the Ford LTD and Mercury Marquis and continue to prepare for the launch of the new Ford Taurus and Mercury Sable in the fall.

Thunderbird and Cougar are already being built in Lorain.

GM scheduled two overtime shifts Saturday (March 16) at its plants in Lansing (Oldsmobile No. 1 and 2); Arlington, Tex.; Doraville, Ga.; Framingham, Mass.; Lakewood, Ga.; Leeds, Mo.; Oklahoma City, and Orion Township, Mich.

Ford also scheduled Saturday overtime at its plants in Dearborn and Edison, N.J.

Daily overtime is scheduled this week at Ford plants in Chicago; Lorain; Dearborn; Wixom, Mich.; Edison, N.J., and Kansas City.

Chrysler scheduled two overtime shifts Saturday at its plants in St. Louis (No. 2), Jefferson (Detroit), and Newark, N.J.

Chrysler's St. Louis, Newark and Belvidere (Ill.) facilities are scheduled to operate two nine-hour daily shifts this week.

The Jefferson plant is scheduled to work two 8½-hour daily shifts this week.

Truck production for week is best since June of '79

If domestic makers met their production target last week, they built more trucks than in any week in almost six years.

Scheduled output of 70,485 trucks last week was the highest weekly production since the week ended June 30, 1979, when 71,637 trucks were built.

The highest weekly production for 1984 was the 70,166 units for the week ended Nov. 10.

Last week's output was up a bit (1.20 percent) from the previous week's 69,650 and was 10.27 percent higher than the year-ago week's 63,919.

Year-to-date, 711,790 trucks have been assembled, 7.31 percent more than the 663,315 built last year at this point.

Ford Motor Co. has scheduled daily overtime this week (March 18) at its plants in Wayne, Mich. (Michigan Truck); Kansas City; Norfolk; Twin Cities; Lorain, O., and Louisville.

Chrysler Corp. has scheduled two nine-hour daily shifts this week at its Warren (Mich.) plant.

Canada builds 20,653 cars; up 15 pct. for week

Canadian auto makers scheduled production of 20,653 units last week, 15.17 percent more than the 17,932 completed the week before, when output at General Motors and Ford Motor Co. plants fell short of target and American Motors' Brampton (Ont.) facility was down for inventory adjustment.

The previous week's output was the lowest in six weeks.

Last week's production was 10.68 percent less than the 23,123 cars completed in the year-ago week.

U. S. CAR PRODUCTION

	Week Ended March 16, 1985	Week Ended March 17, 1984	Week Ended March 9, 1985	March to Date	Jan. 1 to March 17, 1984	Jan. 1 to March 16, 1985
AMERICAN MOTORS	4,725	4,725	3,638	4,316	41,257	18,522
Rear-wheel drive	4,725	4,725	3,638	4,316	41,257	18,522
Alliance	2,706	2,706	1,950	2,325	21,281	11,039
Encore	2,019	2,019	1,688	1,991	19,976	7,423
CHRYSLER CORP.	31,500	29,853	27,453	65,031	280,579	273,597
Plymouth Total	9,200	8,372	7,933	18,910	84,434	79,787
Horizon	3,100	3,603	2,890	6,514	34,736	27,255
Reliant	4,200	4,150	3,436	8,509	44,556	35,615
Carnival	1,300	218	1,081	2,655	1,812	12,763
Gran Fury	600	401	526	1,231	3,330	4,154
Chrysler Total	11,000	10,586	9,068	22,082	90,853	93,185
LeBaron	3,000	3,015	2,513	6,008	27,709	25,349
LeBaron GTS	2,100	1,751	1,747	4,213	15,782	15,782
Laser	1,100	1,751	935	2,212	16,997	10,557
New Yorker E-Class	1,800	2,807	1,453	3,652	22,520	15,657
Fifth Avenue	3,000	3,013	2,420	5,997	23,627	25,840
Dodge Total	11,300	10,895	10,452	24,040	105,292	100,625
Omni	3,000	3,472	3,236	6,823	31,813	28,919
Artes	3,400	3,394	2,843	6,933	35,575	27,627
Daytona	900	1,248	859	1,949	13,796	9,824
Dodge 600	1,500	1,930	1,513	3,375	17,797	16,043
Lancer	1,700	1,398	1,398	3,383	11,952	11,952
Diplomat	800	851	603	1,575	6,311	6,260
FORD MOTOR	31,605	40,256	35,214	74,511	369,370	389,349
Ford Division	20,788	26,197	23,028	49,111	246,582	256,084
Escort	2,072	8,156	5,933	9,427	75,976	66,424
Mustang	4,320	2,868	3,308	8,485	27,343	37,552
LTD	4,607	5,084	4,525	10,152	52,247	51,231
Thunderbird	5,959	3,678	5,507	12,670	37,417	49,922
Crown Victoria	1,768	1,768	1,768	7,262	18,223	7,122
EXP	641	641	641	2,814	39,995	39,995
Tempo	3,830	4,002	3,755	8,377	28,114	133,265
L-M Division	10,817	14,059	12,186	25,401	122,768	96,275
Mercury Total	7,251	9,877	9,324	18,275	87,231	17,593
Lynx	541	1,605	1,930	2,939	15,493	4,771
Capri	202	369	309	596	3,761	23,790
Marquis	2,669	2,120	2,431	5,481	21,098	31,563
Cougar	2,519	2,799	3,264	6,328	18,847	4,733
Grand Marquis	1,825	1,825	1,825	7,126	35,557	13,825
Topaz	1,320	1,159	1,390	2,931	8,336	36,990
Lincoln Total	3,566	4,182	2,862	7,126	35,557	6,707
Continental	651	767	518	1,295	6,531	26,200
Lincoln	2,526	2,617	2,028	5,048	19,061	9,965
Mark VII	389	798	316	783	9,965	4,083
GENERAL MOTORS	106,297	101,649	100,878	229,940	1,074,322	1,091,893
Buick Total	19,915	21,067	18,514	42,099	231,102	207,291
Stryker	2,245	2,045	2,035	4,752	21,713	25,402
Stryker	2,262	3,438	2,159	4,808	36,599	22,880
Somerset Regal	3,480	5,049	2,816	6,938	27,766	46,966
Century	4,124	4,794	3,997	9,010	49,987	50,332
Regal	2,232	4,873	2,205	4,836	57,743	29,697
Lesabre/Electra (w/d)	2,392	1,097	1,450	2,907	12,951	13,857
Riviera	1,975	571	2,446	4,930	1,777	18,544
Cadillac Total	7,942	7,524	7,763	17,186	74,227	83,633
Cimarron	631	318	642	1,430	4,769	6,190
Seville	805	838	976	1,946	8,767	9,378
Eldorado	1,520	1,514	1,842	3,657	16,106	17,229
Cadillac (RWD)	1,089	4,189	920	2,196	42,313	11,965
DeVille (FWD)	3,917	665	3,383	7,957	2,272	38,871
Chevrolet Total	37,357	33,270	37,238	81,969	365,673	390,362
Chevette	3,616	4,718	3,588	7,831	48,071	35,735
Cavalier	9,629	8,247	9,378	21,229	90,070	104,694
Celebrity	6,834	5,919	7,018	15,017	66,005	64,146
Camaro	4,910	5,171	4,942	10,616	57,985	50,125
Citation	1,755	2,751	1,586	3,684	21,372	17,716
Malibu/El Camino	882	882	882	7,202	41,410	33,786
Monte Carlo	3,848	2,829	3,372	7,919	25,847	75,245
Chevrolet	5,765	2,051	6,351	13,267	7,711	8,915
Corvette	1,000	702	1,003	2,205	282,170	273,052
Oldsmobile Total	28,900	26,715	23,992	58,329	282,170	11,243
Omega	1,282	1,282	1,773	4,163	15,991	16,368
Firenza	2,064	1,352	3,715	9,555	84,011	42,045
Cutlass Supreme	5,027	8,088	7,789	18,798	57,835	85,847
Cutlass Ciera	9,217	6,531	3,559	8,439	101,369	53,329
88/96 (w/d)	3,954	7,920	3,028	6,921	2,029	31,029
Olds 96 (w/d)	3,294	623	3,058	8,298	34,142	10,292
Calais	4,449	895	1,070	2,155	9,692	137,555
Toronado	895	1,273	1,371	30,356	121,150	2,491
Pontiac Total	14,183	12,273	13,371	30,356	121,150	32,657
Acadian**	443	320	320	373	3,385	7,430
2000 Sunbird	2,637	3,425	2,256	5,537	32,657	27,238
1000	791	894	841	1,760	8,726	3,531
Firebird	2,783	2,243	2,666	5,997	24,431	5,514
Phoenix	431	431	431	1,671	16,499	16,382
6000	770	770	770	3,382	5,182	23,320
Gtd Pro/Bon/Vie	1,519	395	2,177	5,050	26,739	24,770
Pontiac	2,400	2,552	2,744	6,587	24,899	34,871
Grand Am	3,283	2,399	3,547	8,076	120	265
HONDA	3,777	2,399	50	120	25,581	21,087
NUMMI (Nval)*	60	60	60	60	60	60
VOLKSWAGEN	2,000	2,370	2,131	4,553	25,581	21,087
Total Cars, U.S.	177,239	181,252	172,911	386,547	1,816,008	1,829,584
Total Cars, Canada	20,653	23,123	17,932	42,730	233,128	210,254
N. American Cars	197,892	204,375	190,843	429,278	2,049,136	2,039,838
N. American Trucks	89,193	82,031	86,675	193,551	830,697	902,109
North American Cars and Trucks	287,085	286,406	277,518	622,829	2,879,833	2,941,947

CHRYSLER	8,760	8,288	8,681	19,185	63,427	88,823
FORD	3,460	3,402	2,436	6,598	35,504	35,871
GENERAL MOTORS	6,248	6,274	5,715	13,153	66,940	63,273
INTERNATIONAL	240	148	193	480	1,511	2,352
Total Trucks, Canada	18,708	18,112	17,025	39,416	167,382	190,319
N. American Trucks	89,193	82,031	86,675	193,551	830,697	902,109

CANADIAN CAR PRODUCTION

	Week Ended March 16, 1985	Week Ended March 17, 1984	Week Ended March 9, 1985	March to Date	Jan. 1 to March 17, 1984	Jan. 1 to March 16, 1985
AMERICAN MOTORS	11,379	9,418	9,699	23,293	82,968	115,769
FORD MOTOR	9,049	13,480	8,008	18,820	141,945	90,002
GENERAL MOTORS	225	225	225	495	2,378	2,340
TOTAL CARS, CANADA	20,653	23,123	17,932	42,730	233,128	210,254

TRUCK PRODUCTION IN U.S.*

	Week Ended March 16, 1985	Week Ended March 17, 1984	Week Ended March 9, 1985	March to Date	Jan. 1 to March 17, 1984	Jan. 1 to March 16, 1985
CHEVROLET	23,543	19,332	24,327	52,401	213,268	241,999
DODGE	4,100	4,174	3,640	8,515	44,585	41,331
FORD	24,907	26,065	24,462	54,413	252,944	246,541
GMC	7,344	6,073	7,268	16,031	67,577	72,616
INTERNATIONAL	1,640	1,672	1,882	3,815	19,023	16,372
JEEP	4,300	3,642	4,030	9,206	37,144	43,037
NISSAN	2,881	1,911	2,271	5,713	20,134	26,574
AM GENERAL*	50	50	50	110	540	530
MISCELLANEOUS*	1,720	1,000	1,720	3,784	10,800	20,740
Total Trucks, U.S.	70,485	63,919	69,650	154,135	663,315	711,790

CANADIAN TRUCK PRODUCTION

	Week Ended March 16, 1985	Week Ended March 17, 1984	Week Ended March 9, 1985	March to Date	Jan. 1 to March 17, 1984	Jan. 1 to March 16, 1985
CHRYSLER	8,760	8,288	8,681	19,185	63,427	88,823
FORD	3,460	3,402	2,436	6,598	35,504	35,871
GENERAL MOTORS	6,248	6,274	5,715	13,153	66,940	63,273
INTERNATIONAL	240	148	193	480	1,511	2,352
Total Trucks, Canada	18,708	18,112	17,025	39,416	167,382	190,319
N. American Trucks	89,193	82,031	86,675	193,551	830,697	902,109

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For the U.S. in 1986



Scorpio by Ford of Europe

Ford of Europe's new Scorpio will be offered by U.S. Merkur dealers in spring, 1986. In Europe, the Scorpio will replace the Granada and will go on sale in mid-May. Length is 183.8 inches; wheelbase, 108.7 inches, and curb weights are in the 2,700-to-2,950-pound range. Story, other pictures on Page 8.

New race in minivans shapes up as makers enter 2nd generation

By Dan McCosh
Detroit Reporter

A second-generation minivan race already is in the making, even as Ford Motor Co., General Motors and Chrysler Corp. are scrambling for position with new entries in this still-untested new market.

Pontiac reportedly is within weeks of getting corporate approval of a proposed front-drive van-like vehicle, aimed at the 1988-89 time frame.

Chrysler Corp. is much farther along on a radically new "mini-mini" Z-van, some 18 inches shorter than its current minivan, while Ford likewise reportedly is considering a front-drive passenger-oriented van-like vehicle due in 1988, likely to be imported from Japan.

The second-generation minivans further muddle the distinction between a truck-based van and a traditional passenger car, with some considered passenger-car rather than truck programs.

They also show signs of being the next yuppie trend, even dis-

placing the current enthusiasm for performance cars, say some product planners who are studying the phenomenon. This is based partially on initial acceptance of Chrysler's current minivan by former buyers of two-door cars and the low average age of the minivan buyers—about 35 years old.

The new vans mainly imitate Chrysler's lead in emphasizing front-wheel drive, although some four-wheel-drive derivatives are also in the works.

Both Ford and GM opted for rear-drive in their original minivans, the GM Astro/Safari and the Ford Aerostar, on the theory that rear-drive works better in load-carrying and commercial applications.

However, Ford already has revised its marketing emphasis to favor the passenger-car market and now anticipates that more than half of Aerostar sales will be for people-carrying. GM, likewise, is predicting that some 60 percent of its minivan sales will go to the passenger-car field.

Continued on Page 68, Col. 4

Sales per outlet climb; Japanese win top 4 spots

By Jenny L. King
Detroit Reporter

Galloping new-car sales combined with a stable dealer population resulted in increased sales per new-car outlet in 1984, the annual Automotive News analysis shows.

Total industry retail deliveries in 1984 were up 13 percent from the 1983 level. The number of new-car outlets was up less than 50 the first half of 1984, then dropped back by year's end to the level of a year earlier.

As was the case for 1983, four Japanese makes occupied the top spots on the sales-per-outlet chart for 1984, and Oldsmobile, in fifth place, continued to have the highest number of sales per outlet of the domestic makes.

Oldsmobile led a cluster of four domestics—including Buick, Chevrolet and Ford—which were followed by a scattering of imports and domestics in the sales-per-outlet lineup.

First, the big picture. The overall average of sales per outlet was 420 in 1984. A year earlier, the average was 374.

The average per import outlet in 1984 was 222, down from 235 in 1983. Two years earlier, the average was 200 sales per outlet.

Domestic outlets averaged 380 sales apiece, up from 330 in 1983 and up from 277 in 1982.

Honda not only took over first place from Toyota in the sales-by-make ranking, it beat the biggest Japanese import with room to spare. Honda dealers averaged a record 610 sales per outlet in 1984 compared with 515 per Toyota outlet. The former record was 541 by Toyota in 1980.

Mitsubishi, which maintains a low dealer total to balance its comparatively small sales, edged Nissan out of third place and notched a record for itself with a 477 average. Nissan, at 439 sales per outlet, was down from its record of 479 notched just a year earlier.

Other record-setters included Oldsmobile at 331, Buick at 318, Volvo at 246, Mercury at 195

(tying its 1978 record), Mercedes-Benz at 190 and Audi at 172.

Also setting records were BMW at 170, Renault at 135 (tying 1983), Chrysler at 110, Saab at 102, Jaguar at 98 and Peugeot at 64.

Volvo moved from 10th to ninth last year; Pontiac ascended to 10th, and Mazda fell to 11th.

Noticeable moves, both up and down, affected some makes. Audi graduated to 16th place from 20th in 1983. Chrysler climbed to 20th from 23rd place. Isuzu dropped to 25th from 22nd.

The Cadillac nameplate, which includes Fleetwood and DeVille models, had the highest domestic sales-per-dealer average with 121 in 1984. Second best was Oldsmo-

bile Cutlass Supreme at 95 sales per outlet, followed by VW Rabbit/Golf at 82, Oldsmobile 88 at 81 and Oldsmobile Cutlass Ciera at 76.

Ford's subcompact Escort was sixth with a 75-per-outlet average in 1984, and Renault Alliance and Buick Century shared seventh place at 74. Chevrolet Cavalier was next with 73, followed by Chevrolet Celebrity at 63 and Buick Regal at 62.

Cadillac earned top nameplate status in 1983 as well with 111 sales per dealer. Olds Cutlass Supreme was second at 105, followed by Renault Alliance at 95, VW Rabbit at 93 and Buick Regal at 80.

Olds 88 was sixth that year with its average of 72 per outlet. Ford Escort was seventh at 71; Olds Cutlass Ciera was eighth at 61; Plymouth was ninth at 59, and Buick Century was 10th at 51.

Best sales-per-outlet nameplate for each of the domestic makes was determined, logically enough, by the best seller. At General Motors, Oldsmobile Cutlass Supreme had the top average per dealer (95). For Buick, Century was high at 74 per outlet. Chevrolet's best was Cavalier, 73; Cadillac's highest was Cadillac at 121, and Pontiac's Sunbird was best at 42 sales per dealer.

Ford's Escort was high for that division with a 75-per-dealer average. Lincoln was best for Lincoln at 58, and Mercury dealers sold more Grand Marquis models—54—than any other Mercury nameplate.

For Chrysler, LeBaron was high at 34 per dealer. Plymouth's strongest again was Reliant at 48 per outlet, and Dodge dealers did best with Aries, 39, in 1984.

VW's Rabbit/Golf claimed first place with the highest average per outlet of all subcompacts. A year

Continued on Page 65, Col. 1

SALES PER OUTLET

1984 Position	Make	1983 Position
1—610	Honda	494—2
2—515	Toyota	511—1
3—477	Mitsubishi	435—4
4—439	Nissan	479—3
5—331	Oldsmobile	320—5
6—318	Buick	288—6
7—304	Chevrolet	261—7
8—276	Ford	230—8
9—246	Volvo	220—10
10—235	Pontiac	187—13
11—223	Mazda	228—9
12—220	Cadillac	189—12
13—197	Volkswagen	177—14
14—196	Subaru	198—11
15—195	Mercury	156—16
16—190	Mercedes-Benz	177—14
17—172	Audi	115—20
18—170	BMW	145—17
19—135	Renault	135—18
20—131	Dodge	120—19
21—110	Chrysler	94—23
22—102	Saab	81—24
23—99	Plymouth	99—21
24—98	Jaguar	81—24
25—97	Lincoln	67—26
26—80	Isuzu	98—22
27—64	Peugeot	47—28
28—61	Porsche	66—27
29—31	Alfa Romeo	27—29
30—29	Chevrolet Sprint	0—00
31—17	Dodge Mitsubishi	20—31
32—14	AMC	23—30
33—12	Plymouth Mitsubishi	17—32
34—9	I.A.I.	0—00

breaking news

China to build Peugeot wagons, pickups

PARIS.—China is to build Peugeot 504 pickups and station wagons following an agreement signed in the country late last week by Automobiles Peugeot President Jean Boillot. The first stage of the \$58-million deal will mean 15,000 units per year by 1989. Two further stages could take output to 50,000 annually. The factory, currently producing trucks and buses, is at Huang Pu, Guangzhou.

190,000 Nissans recalled in Japan

TOKYO.—Nissan Motor Co. has informed the Ministry of Transport here that it will recall approximately 190,000 March, Cedric and Gloria models and four other models sold in Japan which have defective headlight switches. This is said to be the biggest recall of cars on the road in Japan in the past few years. Nissan said about 66,000 cars with the same defective headlight switches were exported and the company would take corrective measures in accordance with the laws of the countries involved. The recall is expected to cost Nissan approximately \$2.5 million.

To help Chevy against Japanese, Pontiac against Europeans

CPC looking at new ventures

By Marjorie Sorge
Labor Editor

The Chevrolet-Pontiac-General Motors of Canada supergroup is looking at two more "surprise" joint ventures to grab more of the under-35-year-old market, said Lloyd E. Reuss, group vice president.

He would not comment on what the new ventures might be. But it

is likely they would be relationships that would either give Chevrolet more product to com-

Other stories on Page 3

pete with the Japanese or give Pontiac more product to compete with the Europeans or in some way enhance the CPC image.

When asked if CPC might cre-

ate another company to build cars to compete with the Europeans, Reuss told Automotive News, "Who knows? It might not be a bad idea."

Within the next five years, CPC will be redoing or replacing about 10 of its 15 assembly plants to prepare for the new products and technologies, Reuss said.

CPC is targeting the under-35-year-old and entry-level markets for higher penetration. Those are the areas of the heaviest European and Japanese penetration.

According to Reuss, Chevrolet should get 30 to 35 percent of those markets before 1988. It cur-

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See BREAKING NEWS, Page 8, Col. 1

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Buys Philadelphia's Colonial Group

GMAC expands stake in mortgage business

By Michelle Krebs
Financial Editor

General Motors made another advance in diversifying its financial services business with the purchase of a Philadelphia-based mortgage company.

The purchase could make the No. 1 auto maker the No. 2 mortgage company in the country.

GM's financing subsidiary, General Motors Acceptance Corp., announced it had reached a preliminary agreement for the purchase of the Colonial group of CoreStates Financial Corp.

Colonial, a group of seven mortgage banking and servicing companies, has 60 offices in 49 states with a \$7.4 billion mortgage portfolio.

The terms of the deal were not disclosed, and final agreement is subject to corporate approval on both sides.

A week earlier, GMAC announced it had reached a preliminary agreement to purchase the rights to service the \$11 billion mortgage portfolio of Norwest Corp. in Minneapolis.

GMAC services the mortgages by collecting payments, managing tax and insurance escrow accounts, handling foreclosures and delinquencies and then remitting the funds to Norwest. In return, GMAC collects a fee.

The mortgage financing subsidiary of Norwest generates mortgages through its 52 loan production offices in 23 states and retains the right to package groups of mortgages and sell them to investors as securities in the secondary market.

GM, however, has an option to purchase the loan production offices at a later date.

Under the arrangement with CoreStates, GMAC has purchased the entire mortgage business including origination of mortgages.

CoreStates, called Philadelphia National Group until 1983, has the reputation of being a very well-run bank, said banking analyst Jeff Cohen, of Drexel Burnham Lambert.

It receives high grades in nearly every category used by bank watchers, including a clear idea of

its direction. Its goal has been to emphasize business in Eastern Pennsylvania and the Mid-Atlantic states.

The mortgage business represented a minor part of CoreStates' overall business and was not necessarily consistent with its corporate strategy, Cohen said. He added that GM's offer probably was a favorable one for CoreStates.

Norwest was in a situation in which it was forced to do something about its mortgage business,

Continued on Page 66, Col. 3

250,216 cars in inventory on March 1

Import supply falls to 31 days

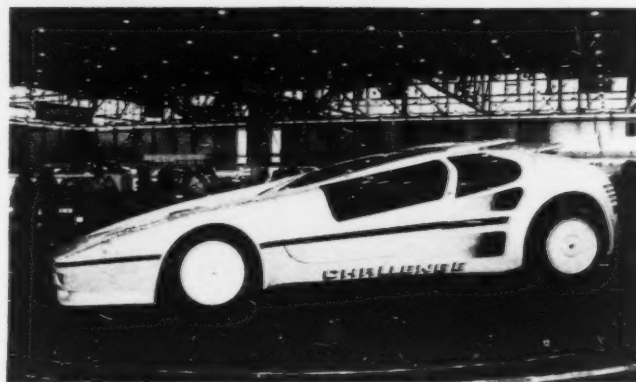
By Arthur Flax
Automotive News Staff

Stocks of new imported cars slipped during February as Japanese makers neared the end of the last voluntary restraint period on March 31.

Imported cars in dealer inventory and port stocks fell to 250,216 on March 1, a 31-day supply, down from 262,990 units, representing 33 days a month earlier. A 60-day supply is considered ideal.

A year ago, there were 207,683 new imported cars in stock, a 29-day supply.

The supply of new imported pickup trucks also fell substantially, to 87,383 units on March 1, a 30-day supply. This was down from 101,619 units, a 37-day total on Feb. 1. On March 1 last year, there were 62,893 imported trucks



Meet the Challenge

Franco Sbarro's Challenge appeared at the Geneva International Motor Show. The wedge-shaped and rounded two-seater has four-wheel drive and is powered by either a Mercedes-Benz or Porsche V-8—each with twin turbos. Sbarro said he will produce 10 examples at prices from \$62,000.

in stock, a 34-day supply.

Of note was the drop in Isuzu truck stocks, from 164 days on Feb. 1 to 64 days on March 1. Isuzu is conducting a truck dealer incentive program.

March opened with a combined imported car and truck inventory of 337,599 units, a 30-day supply. On Feb. 1, the combined supply tallied 364,609 units, a 34-day supply, and a year earlier on March 1, there were 270,576 cars

and trucks in stock, a 30-day supply.

On March 1, the Japanese makes accounted for 52.97 percent of all imported cars in stock; German cars, 34.75 percent, and cars from other European countries, 12.28 percent.

One month earlier, the shares were Japanese, 59.28 percent; German, 29.23 percent, and other countries, 11.49 percent.

Japanese car sales rates remained stable from Feb. 1 to March 1, but shipments fell off almost 15 percent from the month-earlier total, causing a drop in the days-supply from 25 to 21.

The days-supply for Japanese cars by make were: Subaru, 8; Toyota, 10; Honda, 12; Mazda, 21; Mitsubishi, 24; Isuzu, 28 and Nissan, 31.

In addition, the Mitsubishi-built imports marketed by Chrysler Corp. averaged a 54-day supply: Dodge Colt, 47; Plymouth Colt, 52; Plymouth Vista, 54; Dodge Vista, 57; Dodge Conquest, 113, and Plymouth Conquest, 117.

One month earlier, Chrysler imports averaged 60 days' supply.

Chevrolet's captive imports averaged an 82-day supply, down from the month-earlier 108 days. On March 1, there was a 32-day supply for the Suzuki-built Sprint and a 103-day supply for the Isuzu-built Spectrum.

German makes had a 77-day supply, up from 70 the previous month. Inventories increased some 13 percent, while the sales rate remained stable.

By make, the supplies were: Mercury Merkur, 38 days; Mercedes-Benz, 39; Porsche, 43; BMW, an estimated 65 days; Volkswagen imports, 95, and Audi, 124.

Continued on Page 65, Col. 5

IMPORT STOCKS

	Mar. 1, 1985	Feb. 1, 1985	Mar. 1, 1984
Chevrolet	82	108	—
Chrysler	54	60	64
Honda	12	13	19
Isuzu	28	19	32
Mazda	21	48	21
Mitsubishi	24	13	18
Nissan	31	29	22
Subaru	8	23	27
Toyota	10	12	9
JAPANESE MODELS	21	25	21
Audi	124	110	26
BMW	65	65	68
Mercedes-Benz	39	40	28
Mercury Merkur	38	—	—
Porsche	43	46	25
Volkswagen	95	74	91
GERMAN MODELS	77	70	56
Alfa Romeo	79	65	24
Jaguar	35	35	14
Maserati	52	47	—
Peugeot	48	45	51
Renault	233	221	219
Saab	44	31	51
Volvo	40	37	51
OTHER MODELS	51	47	41
TOTAL IMPORTED CARS	31	33	29
Chrysler	33	51	60
Isuzu	64	164	92
Mazda	10	36	18
Mitsubishi	36	22	25
Nissan	27	24	40
Toyota	29	33	28
TOTAL IMPORTED TRUCKS	30	37	34
TOTAL IMPORTED VEHICLES	31	34	30

* Includes domestic-made trucks.
** Estimate

New policy aimed at boosting investment in its own family

GM dealers can own more outlets

Marjorie Sorge
Labor Editor

A General Motors dealer can now be the owner-operator in up to five GM dealerships and have up to a 49 percent ownership in as many as 10 under GM's dealer investor policy.

The investor may own up to three GM and non-GM dealerships in a multiple dealer area and only one in the same GM Area of Geographic Sales and Service Advantage (AGSSA).

An AGSSA is an area where potential customers would nor-

mally shop. It takes into consideration the natural boundaries, shopping habits of the buyers, marketing abilities plus other criteria. It is separated so no one dealer can have an unfair marketing advantage.

The current dealer agreement expires Nov. 1 and there will be "no significant changes" in that contract, said Donald W. Hudler, general director, GM sales operations.

Details of the new multiple dealer investor policy were sent to dealers early this month. It revises

Ford SVO eyes T-bird, all-new car

By Richard Johnson
Detroit Reporter

An SVO Thunderbird is one of "two or three" projects Ford Motor Co.'s Special Vehicle Operations has ready to go once a green light is received from corporate management, according to SVO director Michael Kranefuss.

He said an all-new sports car is also under consideration.

SVO, Ford's 32-man motor sport, performance parts and specialty car operation, is apparently nearing decision day on upcoming production-car plans.

Special Vehicle Operations was established in 1980 and three years later introduced the high-tech, turbocharged SVO Mustang. Later this spring, Ford will launch its 1985½ SVO Mustang, with a boost in horsepower, aerodynamic headlamps, a sleek new front end and other refinements.

But the focus now is on the next production-car effort at Special Vehicle Operations. Talk has centered on the Thunderbird adaptation, and the concept of a complete SVO car.

Kranefuss confirmed that an SVO makeover of Thunderbird is one of the projects ready to run. He also said a basic plan for performance spinoffs of all Ford front-wheel-drive models has been prepared.

"We have a pretty much defined plan on a performance version of any front-wheel-drives we have now and any we have coming," he said.

An all-new SVO vehicle looms as a possibility. Ford's new president, Harold A. Poling, reportedly has said he would like to see Kranefuss' operation attempt a new car from the ground up.

"That would require a totally new philosophy," Kranefuss said. "You would have to go through a totally new learning process, in terms of... are we allocating work to a design engineering outfit, to a manufacturing outfit and then communicating, or are we going to be actively involved?"

An SVO insider said the special operation has concentrated on prospects for an all-new vehicle in recent weeks. Another company source said last week that SVO would probably be closely involved in a two-seat, mid-engine prestige sports car project that Ford is known to be considering.

However, Kranefuss would not say whether SVO currently has a "ground-up" project in the works.

"We have a couple of ideas and all of those ideas were accepted and well-received," he said.

the existing plan. Previously, dealers were allowed to hold one franchise and have as much as 49-percent interest in nine others, both GM and non-GM. Non-GM franchises are no longer counted in the total and are not affected by the change in policy.

GM is hopeful the change will encourage GM dealers to invest in more GM deals than import deals, Hudler said.

"Currently, the dealers seemed to be going the other way, toward

Continued on Page 46, Col. 1

Dealer shop volume up 9 pct for month

Service and parts volume in the nation's franchised new-vehicle dealerships was up almost 9 percent in the first month of 1985, with increases in all indicators in the Automotive News Service Index.

SERVICE INDEX 108.8*

	Jan. '84 vs. Jan. '83
Gross Profit on All Labor and P&A Sales	+ 8.5%
Repair Orders Written	+ 5.2%
Total Labor Sales (Customer & Warranty)	+ 15.2%
Shop Parts Sales (Customer & Warranty)	+ 12.6%
Sales of All Parts and P&A	+ 6.7%

* Survey by Automotive News shows that dealer's service and parts business in January 1985, was 108.8 percent of business in January, 1984.

During the month, dealers' shop business was 8.8 percent higher than the same month a year ago.

The biggest gains were achieved in total labor sales (customer-paid and warranty) and sales of shop parts, those used on customer-paid and warranty repairs.

Labor sales in January were up 15.2 percent over the first month of 1984, while shop-parts volume showed a gain of 12.6 percent.

January gross profit on all labor, parts and accessory sales—the key indicator in the dealer's viewpoint—was 8.5 percent higher than a year ago, while sales of all parts and accessories were up 6.7 percent.

The number of repair orders written during the month, customer-paid and warranty, was 5.2 percent higher than those recorded in January, 1984.

Service Index figures are compiled from monthly reports from dealers in all areas of the nation.

One profit center, 3 marketing units

How CPC Group is organized

By Marjorie Sorge
Labor Editor

The organization of the Chevrolet-Pontiac-General Motors of Canada Group is aimed at one thing—picking up the pieces of GM's falling market in the under-35-year-old class and putting them together.

To do that, CPC has been organized into one profit center surrounded by three marketing and distribution divisions—Chevrolet, Pontiac and GM of Canada, said Lloyd E. Reuss, group vice president.

"We have one profit center in CPC," he said. "We have an integrated engineering organization, an integrated purchasing organization, an integrated financial organization."

"We look at ourselves as suppliers through these three distribution outlets—Chevrolet, Pontiac and GM of Canada. They are the marketing and distribution divisions in our organization. Saturn is another company."

GM of Canada and Saturn are handled a little differently because they are separate companies. But, Reuss said, they maintain a very strong tie with the CPC organization.

One of the reasons for this type of organizational form is that CPC is spread out geographically and some of the CPC groups were already decentralized. For example, Chevrolet was very decentralized with plants all over the U.S.

The Buick-Oldsmobile-Cadillac Group is more centralized and has developed an entirely different program with four profit centers, three based on car platforms and one on powertrains. Each group is responsible for turning a profit.

The CPC organization will also make more use of contract personnel, people hired for only one project, Reuss said.

"We have a tremendous number of contract people who work through these product cycle programs," he said.

"We are looking for new and different approaches to use with our suppliers and to see how we can set up different ways of operating in different parts of the country where teams can be working on different projects, whether it is a new plant or part of a new model design."

The CPC Group is very flat, with few layers of management. For example, finance went from about 10 layers to about six. The goal, Reuss said, is to make things happen more quickly.

"Ten years ago, we would never have been able to do this," Reuss said. "The theory was if it is good for one group, it is good for the other. Now, we have a very flat organization."

"Our span of control for the top echelon at CPC is up about 40 percent. I have 15 people who report directly to me. In the old days with the general manager concept, I might have had nine or so."

Those reporting to Reuss directly include the heads of Saturn, Chevrolet, Pontiac and GM of Canada. There are also group directors of strategic planning, engineering, quality, operations, finance, personnel and public affairs.

The program managers also report directly to Reuss. The current program managers are for the F-body/GM80 project, the W-body/GM10 project and the L-body/GM25 project.

According to Reuss, there will be a program manager for each new product.

Platform managers will be in charge of the products already on the market, and some of those products are combined under one

manager's responsibility. The platform managers report to the group director of engineering, Robert J. Schultz. Schultz is a GM vice president.

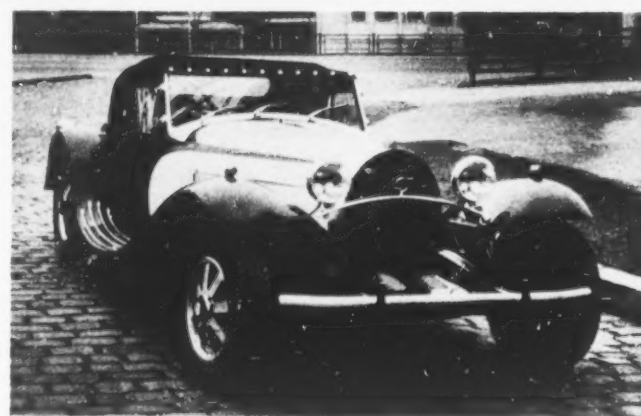
There is also a program manager for organization.

In some areas CPC is a matrix organization, Reuss said.

At BOC, the business units are headed by product team managers who report directly to Robert C. Stempel, group vice president.

At CPC, the joint ventures with Isuzu, Suzuki and Daewoo; New United Motor Mfg., Inc., and the relationship with Electronic Data Systems fall under the strategic planning group. George Peapples,

Continued on Page 65, Col. 2



Stimula shown at Geneva

Automobiles Stimula, of Lyons, France, showed off its Stimula at the Geneva auto show. It is a replica of the 1932 Type 55 Bugatti roadster.

Seeking entry-level buyers with Isuzu, Suzuki, Daewoo cars

CPC import plan is long-range

By Marjorie Sorge
Labor Editor

The Chevrolet-Pontiac-General Motors of Canada Group is acting as an importer and distributor of small, entry-level cars and will continue to do so in the future, said Lloyd E. Reuss, group vice president.

CPC is importing Isuzus and Suzukis from Japan and plans to import Daewoo models from Korea. Those ventures have no fixed ending and could be terminated at any time.

It is likely that General Motors will continue the relationship as long as the market demands the vehicles. Currently, much of CPC's success in the small-car market hinges on the sale of those imported cars.

The number GM will import will depend on the decision made by Japan's Ministry of International Trade and Industry in Japan since the U.S. will not re-

quest renewal of the Voluntary Restraint Agreement.

GM had initially said it would import 200,000 Isuzus and 84,000 Suzukis, but the VRA prohibited the importation of that many and the Isuzu Spectrum and the Suzuki Sprint have only been sold on the two Coasts.

Nova, the GM-Toyota car from New United Motor Mfg., Inc., and the new Saturn Corp. offering also will play a big role in CPC's future marketing and manufacturing strategies.

The addition of Saturn to the CPC Group brought up the question of changing the name to include that new company. Reuss said there may be some changes down the road, but for the time being it will remain CPC.

The reason CPC is importing or will import the Isuzu, Suzuki and Daewoo cars is that it cannot build a small car cost effectively in the U.S. today. Consequently, the supergroup feels the best way to appeal to the market is to import those vehicles. In some cases, CPC is using the Japanese to compete against the Japanese.

"Our objective is to build as much as we can in this country," Reuss said. "In order to become really competitive, we have to build cars in this country. We are also pragmatic enough to see we aren't there in some of those small vehicles and that is why we have the joint ventures."

Finding a way to build a small car cost effectively in the U.S. is the mission of CPC and will culminate in the Saturn project.

"Saturn is the focal point and has to play a very important part in our long-term success," Reuss said. "Look at the Saturn mission statement—moving the techniques and technology into other parts of the organization."

Some of the new CPC products like the GM10 and the GM25 have lists of things that have come out of Saturn ideas. The GM10 in CPC is a 1988 mid-size replacement for the Pontiac 6000 and the Grand Prix. The GM25 is a 1987 model which is exclusive to Chevrolet and will replace the X-car.

There will be plants coming on stream, either new or redone, in 1987 that will have the Saturn technology, and Saturn in turn will learn from those plants.

The mission is to share technology and ideas during the development of the Saturn project—the manufacturing and the car.

"Bill Hoglund's (president of Saturn Corp.) office is right above mine," Reuss said. "They are a part of CPC so ideas and technologies are not something some-

body is going to drop in. They are rubbing elbows on a day-to-day basis."

Saturn will be supplying the information to "Saturnize" the rest of the corporation, he said.

"We have to have some hard data showing that these are the things we are doing, this is where we are going, and this is how successful we are," he said. "We have a scorecard for part of it. You don't hear a lot about it in the press, but it is an equally important part of Saturn's mission and they are setting up their own benchmarks and milestones."

Before Saturn comes to market or becomes an actual plant, many people will work on the operation. CPC will be moving people in and out of the project and it has already begun to do so. One of the original members of the NUMMI group has now been transferred to Saturn and is involved in site selection.

"We will be moving people in and out of Saturn," Reuss said. "One of the best ways to transfer technology is to transfer people."

CPC will also try to cut costs on small-car projects by getting the suppliers involved much earlier in the design and development. Prototypes for the GM10 project, which will be produced in the next few months, will come from suppliers who will be suppliers to the finished operation in 1988.

"The object is to get the suppliers working with our design engineers and procedures and products simultaneously," Reuss said. "We are doing that with all of these programs—GM25, GM80, GM10."

The GM80 is a 1989 replacement for the Chevrolet Camaro and Pontiac Firebird.

Toyota to build training facility

NAGOYA, Japan.—Toyota plans to start construction this spring on a training facility for employees from its overseas plants.

The number of overseas trainees at Toyota's facilities in Japan increased to more than 800 in 1984, compared with 420 trainees in 1983 as the auto maker expanded its overseas operations at New United Motor Mfg., Inc., Fremont, Calif.; Canadian Autoparts Toyota, Inc., of Canada, and DCM, Ltd., of India.

Toyota, which has four training centers near its headquarters at Toyota City in Central Japan, plans to begin construction of another in June.

That's the goal for 1990; it was 37 pct. in 1984

GM wants 48 pct. in Canada

By Marjorie Sorge
Labor Editor

General Motors of Canada should be talking 48.8 percent of the total Canadian automotive market by 1990, according to the plans of the Chevrolet-Pontiac-Canada Group.

At the same time, its penetration of the light-truck market should jump from 38.4 percent last year to 43.9 percent in five years.

GM of Canada took 37.7 percent of the Canadian new-car market in 1984.

Like Pontiac and Chevrolet, GM of Canada maintains close ties with the CPC supergroup and has the same objective—to get more of the under-35-year-old market.

And Lloyd Reuss, GM vice president and CPC group executive, wants to make sure CPC realizes that Canada is a separate country. A new flagpole has been installed at CPC headquarters in Warren, Mich., so both countries' flags can be flown.

"One of the reasons GM of Canada is part of our organization is that it has been very competitive over the years in quality and costs," Reuss said. "Energy costs are less there, and the difference in the dollar is part of the lower cost. GM of Canada is the closest to the Japanese costs."

• In an interview with Automotive News last year, GM of Canada President John F. Smith Jr. said the labor costs in Canada are \$5 to \$7 an hour lower than in the U.S., while Japanese costs are \$8 to \$10 an hour lower.

The potential GM/Suzuki deal to build small cars in Canada would be assigned to GM of Canada for its day-to-day operations, Reuss said. That possible joint venture is still only in the meeting stage, a GM of Canada spokesman said. Discussions began last year.

But it has been reported that the Suzuki deal could add about

170,000 Suzuki cars to North America. A site in the Toronto area has been proposed. (Related story on Page 32).

Asked if GM would create that joint venture like its deal with Toyota, Reuss would not comment. He said the discussions for a relationship are only preliminary. GM and Toyota created a new company to build the Chevrolet Nova, New United Motor Mfg., Inc.

There are no other plans to build small cars in Canada, Reuss said. There is, however, a new \$1 billion capital spending plan to modernize the existing operations in Oshawa by 1988.

"It's all part of our GM10 program," Reuss said.

"Oshawa City" will build the new intermediate-size GM10 products.

"We are using the name Oshawa City in-house to demonstrate that the approach is different than our other assembly plants," Reuss said. "We will be using a lot of engines that are built in Canada so it is an integrated approach."

Oshawa is currently building the Chevrolet Celebrity, Pontiac 6000 and Oldsmobile Cutlass Ciera.

In a recent speech to employees at GM of Canada, Reuss said CPC planned to continue a high level of spending on future programs and products in Canada.

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